DIV. OF OIL, GAS & MINING CC: Tom

June 27, 2012

FROM: Byron Muir, property owner with pending application for a small mine permit.

TO: Paul Baker, Environmental Manager DOGM

Fax: 801-359-3940

Dear Mr. Baker;

I am sending this letter and included letter from my Attorney regarding Escalante Mines, Inc., (now Escalante Star, LLC) of past trespassing incidents. I am aware that ES, LLC and/or their JV partner Firestrike Resources are planning to conduct exploration activities, including reverse circulation drilling near to my property in the Star District. This letter and enclosure is to make your office aware that neither Escalante Star, LLC, Firestrike Resources, or their officers, employees, agents, contractors, guests or representatives have any authority to enter onto my private property for any reason.

Thank you,

Byron Muir

435-463-2220

Depon Min

Enclosure: Letter from Attorney Dan Jensen, Parr Brown Gee & Loveless

RECEIVED

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DIV. OF OIL, GAS & MINING

PARR BROWN GEE & LOVELESS

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OF COUNSEL CHARLES L MAAK BRUCE A MAAK

CLAYTON J. PARR BRENT IL STEVENSON KENT W. LARSEN STANLEY D. NEFLEXAN KENT H. COLLINS M. REESE KANSEN

October 27, 2011

CERTIFIED MAIL

ESCALANTE MINES INC. Attn: Thomas R. Fisher, CEO 1530 Alkire Street Golden, CO 80401-3519

Re: Muir Property, Beaver County, Utah

Dear Mr. Fisher:

This firm represents Byron Muir, who owns as his private property several patented mining claims in the North Star Mining District in Beaver County, Utah. On October 21, 2011 at 3:47 p.m., Mr. Muir caught two of your company's field geologists (Nathan Hansel and Elizabeth Pesce) trespassing on his property (specifically, the Cortes and Esmeralda claims). Mr. Muir observed the geologists as they traversed and inspected his property. He confronted them, ordered them off the property and then reported the incident to the Beaver County Sheriff's Department for possible prosecution. The geologists were driving a white Suburban (Colorado license plate #102 EWL) with the Escalante Mines Inc. (EMI) logo on the doors. They entered and left the property using a private, non-RS2477 road. They admitted they were there on behalf of EMI and they admitted they had trespassed on Mr. Muir's property after arriving via the private road. They also turned over to Mr. Muir several bags of mineral specimens they had collected from the Muir property.

This is a serious problem, both criminally and civilly, for those two individuals and also for their employer/principal, EMI. Neither EMI nor any of its officers, employees, agents, contractors, guests or representatives have any authority to enter onto Mr. Muir's private property, for surveying, claim staking, mineral examination, recreational activity, or any other purpose. To do so is a blatant trespass, both civilly and criminally. The unimproved roads leading into the Muir property are plainly marked with "No Trespassing" signs, and from prior interactions with Mr. Muir



Escalante Mines Inc. October 27, 2011 Page 2

EMI should be well aware of the Muir property boundaries in any event. Those individuals who committed the trespass were obviously aware that they were off limits based on their initial efforts to avoid Mr. Muir and their subsequent admissions and apologies to Mr. Muir.

Mr. Muir demands that EMI (including all employees, agents, contractors, guests, surveyors, claim stakers and representatives of EMI) not enter upon any part of the Muir property, by vehicle, on foot or by any other means. Please make certain that all such persons are aware of that demand. If that demand is not complied with, appropriate legal action will be commenced against EMI and the individuals committing the trespass. If any other data or materials were collected from the Muir property during the trespass on October 21, 2011 or during any prior or subsequent trespass, they must be turned over to Mr. Muir immediately. Any other disposition or use of any such data or materials will expand the scope of damages for which EMI is responsible.

Sincerely,

PARR BROWN GEE & LOVELESS

Daniel A. Jensey

Attorneys for Byron Muir

CC:

Client